



3015 (01-06-12)

ANNUAL REPORT

OF

Name: SPENCER MUNICIPAL WATER UTILITY

Principal Office: 105 PARK STREET
P.O. BOX 360
SPENCER, WI 54479-0360

For the Year Ended: DECEMBER 31, 2011

**WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Prepare the report in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin.
2. Numeric items shall contain digits (0-9). A minus sign "-" shall be entered in the software program to indicate negative values. Parentheses shall not be used for numeric items. The program will convert the minus sign to parentheses for hard copy annual report purposes. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
3. The annual report should be complete in itself in all particulars. Reference to reports of former years should not be made to take the place of required entries except as otherwise specifically authorized.
4. Whenever schedules call for data from the previous year, the data reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different data is being reported for the current year. Where available, use an adjustment column.
5. All dollar amounts will be reported in whole dollars.
6. Wherever information is required to be shown as text, the information shall be shown in the space provided using other than account titles. In each case, the information shall be properly identified. Footnote capability is included in the annual report software program and shall be utilized where necessary to further explain particulars of a schedule.

TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
 FINANCIAL SECTION	
Income Statement	F-01
Details of Income Statement Accounts	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Full-Time Employees (FTE)	F-06
Balance Sheet	F-07
Net Utility Plant	F-08
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 111.1)	F-09
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 111.2)	F-10
Net Nonutility Property (Accts. 121 & 122)	F-11
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-12
Materials and Supplies	F-13
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-14
Capital Paid in by Municipality (Acct. 200)	F-15
Bonds (Accts. 221 and 222)	F-17
Notes Payable & Miscellaneous Long-Term Debt	F-18
Taxes Accrued (Acct. 236)	F-19
Interest Accrued (Acct. 237)	F-20
Detail of Other Balance Sheet Accounts	F-22
Return on Rate Base Computation	F-23
Regulatory Liability - Pre-2003 Historical Accumulated Depreciation on Contributed Utility Plant (253)	F-25
Important Changes During the Year	F-26
Financial Section Footnotes	F-99
 WATER OPERATING SECTION	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Property Tax Equivalent (Water)	W-07
Water Utility Plant in Service --Plant Financed by Utility or Municipality--	W-08
Water Utility Plant in Service --Plant Financed by Contributions--	W-09
Sources of Water Supply - Statistics	W-14
Water Audit and Other Statistics	W-15
Sources of Water Supply - Ground Waters	W-16
Sources of Water Supply - Surface Waters	W-17
Pumping & Power Equipment	W-18
Reservoirs, Standpipes and Elevated Tanks	W-19
Water Treatment Plant	W-20
Water Mains	W-21
Water Services	W-22
Meter Questions	W-23

TABLE OF CONTENTS

Schedule Name	Page
WATER OPERATING SECTION	
Meters	W-23
Hydrants and Distribution System Valves	W-25
List of All Station and Wholesale Meters	W-26
Water Conservation Programs	W-27
Customers Served	W-28
Water Operating Section Footnotes	W-99

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: SPENCER MUNICIPAL WATER UTILITY**Utility Address:** 105 PARK STREET

P.O. BOX 360

SPENCER, WI 54479-0360

When was utility organized? 12/1/1940**Report any change in name:****Effective Date:****Utility Web Site:** Clerk@Vil.Spencer.WI.US

Utility employee in charge of correspondence concerning this report:

Name: GERALD KOBS**Title:** VILLAGE CLERK TREASURER**Office Address:** VILLAGE OF SPENCER

105 PARK STREET

P.O. BOX 360

SPENCER, WI 54479

Telephone: (715) 659 - 5423**Fax Number:** (715) 659 - 5358**Email Address:** clerk@vil.spencer.wi.us

President, chairman, or head of utility commission/board or committee:

Name: DIANNE GILBERT**Title:** CHAIRMAN**Office Address:**

807 HICKORY STREET

SPENCER, WI 54479

Telephone: (715) 659 - 5862**Fax Number:****Email Address:**

Are records of utility audited by individuals or firms, other than utility employee?

YES

Individual or firm, if other than utility employee, auditing utility records:

Name: LEAH HAUSER**Title:****Office Address:** HAWKINS, ASH, BAPTIE AND COMPANY

101 WEST 29TH STREET

MARSHFIELD, WI 54449

Telephone: (715) 387 - 1131**Fax Number:** (715) 384 - 3463**Email Address:****Date of most recent audit report:** 3/1/2012**Period covered by most recent audit:** 01/01/2011 TO 12/31/2011

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: DEAN SMITH**Title:** WATER PLANT OPERATOR**Office Address:**702 PARK STREET
P.O. BOX 360
SPENCER, WI 54479**Telephone:** (715) 659 - 4644**Fax Number:** (715) 659 - 3835**Email Address:** water@vil.spencer.wi.us

Name of utility commission/committee: UTILITIES COMMITTEE

Names of members of utility commission/committee:

MS DIANNE GILBERT, CHAIRMAN

MR GREG POKALLUS, MEMBER

MR RON STAPLES, MEMBER

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:** **Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

Firm Name: NONE

Contact Person:**Title:****Telephone:****Fax Number:****Email Address:**

Contract/Agreement beginning-ending dates:**Provide a brief description of the nature of Contract Operations being provided:****Identification and Ownership - Contacts (Page iv)****General footnotes**

Under Identification and Ownership under contact type names and titles of utility management including manager or superintendent contact name the e-mail address is supplied.

If the utility clerk (or other utility/municipal person responsible for municipal utility recordkeeping) is new (or will be new in the next year), please indicate here.Yes, Thaddeus Kubisiak will be the new Administrator, Clerk-Treasurer starting September 8, 2012.

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	335,349	338,410	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	264,893	220,278	2
Depreciation Expense (403)	72,297	69,890	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	1,300	1,534	5
Total Operating Expenses	338,490	291,702	
Net Operating Income	(3,141)	46,708	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(3,141)	46,708	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	1,838	3,166	10
Miscellaneous Nonoperating Income (421)	2,500	35,242	11
Total Other Income	4,338	38,408	
Total Income	1,197	85,116	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(7,545)	(7,545)	12
Other Income Deductions (426)	20,657	20,368	13
Total Miscellaneous Income Deductions	13,112	12,823	
Income Before Interest Charges	(11,915)	72,293	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	14,878	13,978	14
Amortization of Debt Discount and Expense (428)	0	0	15
Amortization of Premium on Debt--Cr. (429)	0	0	16
Interest on Debt to Municipality (430)	0	0	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0	0	19
Total Interest Charges	14,878	13,978	
Net Income	(26,793)	58,315	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	2,117,652	2,059,337	20
Balance Transferred from Income (433)	(26,793)	58,315	21
Miscellaneous Credits to Surplus (434)	0	0	22
Miscellaneous Debits to Surplus--Debit (435)	0	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	2,090,859	2,117,652	

DETAILS OF INCOME STATEMENT ACCOUNTS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	335,349	0	335,349	1
Total (Acct. 400):	335,349	0	335,349	
Operation and Maintenance Expense (401-402):				
Derived	264,893	0	264,893	2
Total (Acct. 401-402):	264,893	0	264,893	
Depreciation Expense (403):				
Derived	72,297	0	72,297	3
Total (Acct. 403):	72,297	0	72,297	
Amortization Expense (404-407):				
Derived	0	0	0	4
Total (Acct. 404-407):	0	0	0	
Taxes (408):				
Derived	1,300	0	1,300	5
Total (Acct. 408):	1,300	0	1,300	
Revenues from Utility Plant Leased to Others (412):				
NONE			0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE			0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	(3,141)	0	(3,141)	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0	0	0	8
Total (Acct. 415-416):	0	0	0	
Income from Nonutility Operations (417):				
NONE			0	9
Total (Acct. 417):	0	0	0	
Nonoperating Rental Income (418):				
NONE			0	10
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST ON OTHER INVESTMENTS	1,838		1,838	11
Total (Acct. 419):	1,838	0	1,838	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water			0	12
CONTRIBUTIONS IN AID	2,500		2,500	13
Total (Acct. 421):	2,500	0	2,500	
TOTAL OTHER INCOME:	4,338	0	4,338	

DETAILS OF INCOME STATEMENT ACCOUNTS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
MISCELLANEOUS INCOME DEDUCTIONS				
Miscellaneous Amortization (425):				
Regulatory Liability (253) Amortization	(7,545)	0	(7,545)	14
NONE			0	15
Total (Acct. 425):	(7,545)	0	(7,545)	
Other Income Deductions (426):				
Depreciation Expense on Contributed Plant - Water	0	20,657	20,657	16
NONE			0	17
Total (Acct. 426):	0	20,657	20,657	
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(7,545)	20,657	13,112	
INTEREST CHARGES				
Interest on Long-Term Debt (427):				
Derived	14,878	0	14,878	18
Total (Acct. 427):	14,878	0	14,878	
Amortization of Debt Discount and Expense (428):				
NONE			0	19
Total (Acct. 428):	0	0	0	
Amortization of Premium on Debt--Cr. (429):				
NONE			0	20
Total (Acct. 429):	0	0	0	
Interest on Debt to Municipality (430):				
Derived	0	0	0	21
Total (Acct. 430):	0	0	0	
Other Interest Expense (431):				
Derived	0	0	0	22
Total (Acct. 431):	0	0	0	
Interest Charged to Construction--Cr. (432):				
NONE			0	23
Total (Acct. 432):	0	0	0	
TOTAL INTEREST CHARGES:	14,878	0	14,878	
NET INCOME:	(6,136)	(20,657)	(26,793)	
EARNED SURPLUS				
Unappropriated Earned Surplus (Beginning of Year) (216):				
Derived	1,360,632	757,020	2,117,652	24
Total (Acct. 216):	1,360,632	757,020	2,117,652	
Balance Transferred from Income (433):				
Derived	(6,136)	(20,657)	(26,793)	25
Total (Acct. 433):	(6,136)	(20,657)	(26,793)	
Miscellaneous Credits to Surplus (434):				
NONE			0	26
Total (Acct. 434):	0	0	0	

DETAILS OF INCOME STATEMENT ACCOUNTS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
EARNED SURPLUS				
Miscellaneous Debits to Surplus--Debit (435):				
NONE			0	27
Total (Acct. 435)--Debit:	0	0	0	
Appropriations of Surplus--Debit (436):				
Detail appropriations to (from) account 215			0	28
Total (Acct. 436)--Debit:	0	0	0	
Appropriations of Income to Municipal Funds--Debit (439):				
NONE			0	29
Total (Acct. 439)--Debit:	0	0	0	
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	1,354,496	736,363	2,090,859	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	335,349	0	0	0	335,349	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	335,349	0	0	0	335,349	

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	1.2	1
Electric		2
Gas		3
Sewer		4

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (101)	4,240,286	3,940,089	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (111)	1,225,702	1,188,654	2
Net Utility Plant	3,014,584	2,751,435	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	1,025	1,025	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	1,025	1,025	
Investment in Municipality (123)	0	0	5
Other Investments (124)	5,417	9,913	6
Sinking Funds (125)	0	0	7
Depreciation Fund (126)	0	0	8
Other Special Funds (128)	0	0	9
Total Other Property and Investments	6,442	10,938	
CURRENT AND ACCRUED ASSETS			
Cash (131)	249,854	321,224	10
Special Deposits (134)	0	0	11
Working Funds (135)			12
Temporary Cash Investments (136)			13
Notes Receivable (141)	0	0	14
Customer Accounts Receivable (142)	16,354	15,789	15
Other Accounts Receivable (143)	0	3,678	16
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	17
Receivables from Municipality (145)	10,090	14,311	18
Plant Materials and Operating Supplies (154)	15,513	15,513	19
Merchandise (155)	0	0	20
Other Materials and Supplies (156)	0	0	21
Stores Expense (163)	0	0	22
Prepayments (165)	0	0	23
Interest and Dividends Receivable (171)			24
Accrued Utility Revenues (173)			25
Miscellaneous Current and Accrued Assets (174)			26
Total Current and Accrued Assets	291,811	370,515	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	27
Extraordinary Property Losses (182)	0	0	28
Preliminary Survey and Investigation Charges (183)	0	0	29
Clearing Accounts (184)	0	0	30
Temporary Facilities (185)	0	0	31
Miscellaneous Deferred Debits (186)	0	0	32
Total Deferred Debits	0	0	
Total Assets and Other Debits	3,312,837	3,132,888	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	481,781	481,781	33
Appropriated Earned Surplus (215)			34
Unappropriated Earned Surplus (216)	2,090,859	2,117,652	35
Total Proprietary Capital	2,572,640	2,599,433	
LONG-TERM DEBT			
Bonds (221)	0	0	36
Advances from Municipality (223)	166,041	144,769	37
Other long-Term Debt (224)	470,466	279,391	38
Total Long-Term Debt	636,507	424,160	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	39
Accounts Payable (232)	6,634	8,181	40
Payables to Municipality (233)	0	0	41
Customer Deposits (235)			42
Taxes Accrued (236)	0	0	43
Interest Accrued (237)	6,516	3,029	44
Tax Collections Payable (241)			45
Miscellaneous Current and Accrued Liabilities (242)			46
Total Current and Accrued Liabilities	13,150	11,210	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	47
Customer Advances for Construction (252)			48
Other Deferred Credits (253)	90,540	98,085	49
Total Deferred Credits	90,540	98,085	
OPERATING RESERVES			
Property Insurance Reserve (261)			50
Injuries and Damages Reserve (262)			51
Pensions and Benefits Reserve (263)			52
Miscellaneous Operating Reserves (265)			53
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	3,312,837	3,132,888	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	3,940,089	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (101.1)	3,374,908	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	865,378	0	0	0	3
Utility Plant Purchased or Sold (102)					4
Utility Plant Leased to Others (104)					5
Property Held for Future Use (105)					6
Construction Work in Progress (107)					7
Total Utility Plant	4,240,286	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (111.1)	890,476	0	0	0	8
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (111.2)	335,226	0	0	0	9
Accumulated Provision for Depreciation of Utility Plant Leased to Others (112)					10
Accumulated Provision for Depreciation of Property Held for Future Use (113)					11
Accumulated Provision for Amortization of Utility Plant in Service (114)					12
Accumulated Provision for Amortization of Utility Plant Leased to Others (115)					13
Accumulated Provision for Amortization of Property Held for Future Use (116)					14
Total Accumulated Provision	1,225,702	0	0	0	
Other Utility Plant Accounts:					
Utility Plant Acquisition Adjustments (117)					15
Accumulated Provision for Amortization of Utility Plant Acquisition Adjustments (118)					16
Other Utility Plant Adjustments (119)					17
Total Other Utility Plant Accounts	0	0	0	0	
Net Utility Plant	3,014,584	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT
ON UTILITY PLANT FINANCED BY UTILITY OPERATION
OR BY THE MUNICIPALITY (ACCT. 111.1)**

Depreciation Accruals (Credits) during the year (111.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (111.1)	874,085				874,085	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	72,297				72,297	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,400				1,400	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	73,697	0	0	0	73,697	16
Debits during year						17
Book cost of plant retired	56,930				56,930	18
Cost of removal	376				376	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	57,306	0	0	0	57,306	25
Balance end of year (111.1)	890,476	0	0	0	890,476	26
Footnotes						27

**ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT
ON UTILITY PLANT FINANCED BY UTILITY OPERATION
OR BY THE MUNICIPALITY (ACCT. 111.1)**

Accumulated Provision for Depreciation of Utility Plant on Utility Plant Financed by Utility Operations or by the Municipality (Acct. Depreciation Expense on Meters Charged to Sewer has related fields in the Taxes schedule and Other Operating Revenues (Water) schedule. If amounts are reported in any one or two of these three fields, but not all three, please explain.

At the December 19th, 2011 village board meeting a motion was made by Staples, seconded by Frome was carried to approve to forgive local and school tax equivalents for the Water Utility to the Village for the year 2011 and tax amount to the Water Utility will be zero.

ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 111.2)

Depreciation Accruals (Credits) during the year (111.2):

1. Report the amounts charged in the operating sections to Other Income Deductions (426).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (111.2)	314,569				314,569	1
Credits During Year						2
Accruals:						3
Charged Other Income Deductions (426)	20,657				20,657	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	20,657	0	0	0	20,657	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (111.2)	335,226	0	0	0	335,226	26
Footnotes						27

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	1,025		0	1,025	1
NONE	0			0	2
Total Nonutility Property (121)	1,025	0	0	1,025	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	1,025	0	0	1,025	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year		1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel (151)					0	0	1
Fuel stock expenses (152)					0	0	2
Plant mat. & oper. sup. (154)					0	0	3
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility (154)	15,513	15,513	2
Sewer utility (154)		0	3
Heating utility (154)		0	4
Gas utility (154)		0	5
Merchandise (155)		0	6
Other materials & supplies (156)		0	7
Stores expense (163)		0	8
Total Materials and Supplies	15,513	15,513	

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
BOND ISSUANCE COST		0		1
Total			0	
Unamortized premium on debt (251)				
NONE				2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	481,781	1
Changes during year (explain):		
		2
Balance end of year	<u>481,781</u>	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
None					1
Total Bonds (Account 221):				<u>0</u>	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances from Municipality (223)					
DUE TO GENERAL FUND	00/00/0000	00/00/0000	0.00%	166,041	1
Total for Account 223				166,041	
Other Long-Term Debt (224)					
LOAN@ HERITAGE BANK	07/05/2011	07/05/2021	3.70%	241,904	2
Loan @ SSB	07/19/2000	07/19/2020	5.84%	119,598	3
	00/00/0000	00/00/0000	0.00%	0	4
LOAN @ HERITAGE BANK	12/27/2004	11/15/2014	4.25%	108,964	5
Total for Account 224				470,466	
Notes Payable (231)					
NONE	00/00/0000	00/00/0000	0.00%		6
Total for Account 231				0	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	2,193	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	2,193	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	1,786	7
PSC Remainder Assessment	407	8
Other (explain):		
NONE		9
Total payments and other debits	2,193	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 235.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
BLANK	3,029	14,878	11,391	6,516	3
Subtotal	3,029	14,878	11,391	6,516	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	3,029	14,878	11,391	6,516	

DETAIL OF OTHER BALANCE SHEET ACCOUNTS

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENT RECEIVABLES	5,417	2
Total (Acct. 124):	5,417	
Sinking Funds (125):		
NONE		3
Total (Acct. 125):	0	
Depreciation Fund (126):		
NONE		4
Total (Acct. 126):	0	
Other Special Funds (128):		
NONE		5
Total (Acct. 128):	0	
Special Deposits (134):		
NONE		6
Total (Acct. 134):	0	
Notes Receivable (141):		
NONE		7
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	16,354	8
Electric		9
Sewer (Regulated)		10
Other (specify):		
NONE		11
Total (Acct. 142):	16,354	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		12
Merchandising, jobbing and contract work		13
Other (specify):		
NONE		14
Total (Acct. 143):	0	
Receivables from Municipality (145):		
TAX ACCOUNT AND DUE FROM SEWERS	10,090	* 15
Total (Acct. 145):	10,090	
Prepayments (165):		
NONE		16
Total (Acct. 165):	0	

DETAIL OF OTHER BALANCE SHEET ACCOUNTS

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Extraordinary Property Losses (182):		
NONE		17
Total (Acct. 182):	0	
Preliminary Survey and Investigation Charges (183):		
NONE		18
Total (Acct. 183):	0	
Clearing Accounts (184):		
NONE		19
Total (Acct. 184):	0	
Temporary Facilities (185):		
NONE		20
Total (Acct. 185):	0	
Miscellaneous Deferred Debits (186):		
NONE		21
Total (Acct. 186):	0	
Payables to Municipality (233):		
NONE		22
Total (Acct. 233):	0	
Other Deferred Credits (253):		
Regulatory Liability	90,540	23
NONE		24
Total (Acct. 253):	90,540	

DETAIL OF OTHER BALANCE SHEET ACCOUNTS

Detail of Other Balance Sheet Accounts (Page F-22)

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$2,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Account #145 the amount of \$9,923.00 is receivables from the municipality thru taxes and the amount of \$167.00 is from billed invoices.

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (101.1)	3,220,721	0	0	0	3,220,721	1
Materials and Supplies	15,513	0	0	0	15,513	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (111.1)	882,280	0	0	0	882,280	4
Customer Advances for Construction					0	5
Regulatory Liability	94,312	0	0	0	94,312	6
NONE					0	7
Average Net Rate Base	2,259,642	0	0	0	2,259,642	
Net Operating Income	(3,141)	0	0	0	(3,141)	8
Net Operating Income as a percent of						
Average Net Rate Base	-0.14%	N/A	N/A	N/A	-0.14%	

**REGULATORY LIABILITY - PRE-2003 HISTORICAL
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year	98,085	0	0	0	98,085	1
Add credits during year:					0	2
Deduct charges:						
Miscellaneous Amortization (425)	7,545	0	0	0	7,545	3
Other (specify):					0	4
Balance End of Year	90,540	0	0	0	90,540	

IMPORTANT CHANGES DURING THE YEAR

FINANCIAL SECTION FOOTNOTES

Accumulated Provision for Depreciation of Utility Plant on Utility Plant Financed by Utility Operations o

Depreciation Expense on Meters Charged to Sewer has related fields in the Taxes schedule and Other Operating Revenues (Water) schedule. If amounts are reported in any one or two of these three fields, but not all three, please explain.

At the December 19th, 2011 village board meeting a motion was made by Staples, seconded by Frome was carried to approve to forgive local and school tax equivalents for the Water Utility to the Village for the year 2011 and tax amount to the Water Utility will be zero.

Detail of Other Balance Sheet Accounts (Page F-22)

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$2,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Account #145 the amount of \$9,923.00 is receivables from the municipality thru taxes and the amount of \$167.00 is from billed invoices.

Identification and Ownership - Contacts (Page iv)

General footnotes

Under Identification and Ownership under contact type names and titles of utility management including manager or superintendent contact name the e-mail address is supplied.

If the utility clerk (or other utility/municipal person responsible for municipal utility recordkeeping) is new (or will be new in the next year), please indicate here.

Yes, Thaddeus Kubisiak will be the new Administrator, Clerk-Treasurer starting September 8, 2012.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	329,292	333,088	1
Total Sales of Water	329,292	333,088	
Other Operating Revenues			
Forfeited Discounts (470)	0	0	2
Rents from Water Property (472)	0	0	3
Interdepartmental Rents (473)	0	0	4
Other Water Revenues (474)	6,057	5,322	5
Total Other Operating Revenues	6,057	5,322	
Total Operating Revenues	335,349	338,410	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	189,058	152,129	6
General Operating Expenses (680-691)	75,835	68,149	7
Total Operation and Maintenance Expenses	264,893	220,278	
Other Operating Expenses			
Depreciation Expense (403)	72,297	69,890	8
Amortization Expense (404-407)		0	9
Taxes (408)	1,300	1,534	10
Total Other Operating Expenses	73,597	71,424	
Total Operating Expenses	338,490	291,702	
NET OPERATING INCOME	(3,141)	46,708	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (Account 461).
5. Report average no. of individually-metered accounts (meters). The amount reported should be the average meter count. E.g., if a hospital has 5 meters, a total of 5 meters should be reported on this schedule in Average No. of Customers column.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential (460.1)				1
Commercial (460.2)				2
Industrial (460.3)				3
Public Authority (460.4)				4
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential (461.1)	690	21,025	150,541	5
Commercial (461.2)	92	6,718	34,785	6
Industrial (461.3)	10	5,555	16,792	7
Public Authority (461.4)	15	1,881	6,290	8
Total Metered Sales to General Customers (461)	807	35,179	208,408	
Private Fire Protection Service (462)	8		7,939	9
Public Fire Protection Service (463)	1		112,945	10
Other Water Sales (465)				11
Sales for Resale (466)		0	0	12
Interdepartmental Sales (467)				13
Total Sales of Water	816	35,179	329,292	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)	
NONE				1
Total		0	0	

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		1
Other (specify):		
Wholesale fire protection billed		2
Amount billed (usually per rate schedule F-1 or Fd-1)	112,945	3
NONE		4
Total Public Fire Protection Service (463)	112,945	
Forfeited Discounts (470):		
NONE		5
Customer late payment charges		6
Other (specify):		
Total Forfeited Discounts (470)	0	
Rents from Water Property (472):		
NONE		7
Total Rents from Water Property (472)	0	
Interdepartmental Rents (473):		
NONE		8
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
CURB STOP TURN ON AND HOOKING UP WATER METERS AND TOWER RENT	4,795	9
Return on net investment in meters charged to sewer department	1,262	10
Other (specify):		
Total Other Water Revenues (474)	6,057	

OTHER OPERATING REVENUES (WATER)

Other Operating Revenues (Water) (Page W-04)

Please explain amounts in Account 474 in excess of \$2,000, including like items grouped. Please provide, for example, a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Account # 474 Tower rent was \$2,400.00, Curb stop turn on and hooking up water meters \$755.90, vacuum breakers sold \$433.25, recycling scrap metal \$316.65, parts \$888.79.

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	57,079	56,423	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	12,563	11,890	3
Chemicals (630)	13,874	13,716	4
Supplies and Expenses (640)	31,490	26,043	5
Repairs of Water Plant (650)	74,052	44,057	* 6
Transportation Expenses (660)		0	7
Total Plant Operation and Maintenance Expenses	189,058	152,129	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	49,910	26,523	* 8
Office Supplies and Expenses (681)	5,235	4,748	9
Outside Services Employed (682)	2,034	4,168	* 10
Insurance Expense (684)	17,459	30,999	* 11
Employees Pensions and Benefits (686)	1,197	1,711	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)		0	14
Uncollectible Accounts (690)		0	15
Customer Service and Informational Expenses (691)		0	16
Total General Operating Expenses	75,835	68,149	
Total Operation and Maintenance Expenses	264,893	220,278	

WATER OPERATION & MAINTENANCE EXPENSES

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Account #650 was greater this year because of all the repair work we had to do to Well #4 at a cost of \$36,856.00 which normally is between 10,000.00 and 12,000.00. Account #680 was more this year because we brought another employee on staff that will take my place when I retire in 2012. Account #682 was less than last year because we did not have the engineering costs on the Hwy 13 project as we did in 2010. Account #684 is less this year from what I can review it appears that the auditors made their adjustments and placed them in a different account I have not been able to locate the difference not unless they placed more of the insurance cost in the benefits and pension area.

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		0	0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		0	0	
Social Security		893	1,215	3
PSC Remainder Assessment		407	319	4
Other (specify): NONE			0	5
Total tax expense		1,300	1,534	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Marathon				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.167118				3
County tax rate	mills		5.091162				4
Local tax rate	mills		7.300245				5
School tax rate	mills		10.255128				6
Voc. school tax rate	mills		1.991669				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		24.805322				10
Less: state credit	mills		1.390209				11
Net tax rate	mills		23.415113				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		7.300245				14
Combined School Tax Rate	mills		12.246797				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		19.547042				17
Total Tax Rate	mills		24.805322				18
Ratio of Local and School Tax to Total	dec.		0.788018				19
Total tax net of state credit	mills		23.415113				20
Net Local and School Tax Rate	mills		18.451532				21
Utility Plant, Jan. 1	\$	3,940,089	3,940,089				22
Materials & Supplies	\$	15,513	15,513				23
Subtotal	\$	3,955,602	3,955,602				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	3,955,602	3,955,602				26
Assessment Ratio	dec.		1.015480				27
Assessed Value	\$	4,016,835	4,016,835				28
Net Local & School Rate	mills		18.451532				29
Tax Equiv. Computed for Current Year	\$	74,117	74,117				30
Tax Equivalent per 1994 PSC Report	\$	0					31
Any lower tax equivalent as authorized							32
by municipality (see note 6)	\$	0					33
Tax equiv. for current year (see note 6)	\$	0					34
Footnotes			*				35

PROPERTY TAX EQUIVALENT (WATER)

Property Tax Equivalent (Water) (Page W-07)

If Lower Tax Equivalent authorized by municipality is greater than or equal to zero, please explain.

On December 19th, 2011 at the village Board meeting a motion was made by Staples, seconded by Frome was carried to approve to forgive local and school tax equivalents for the Water Utility to the Village for the year 2011 and tax amount to the Water Utility will be zero.

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT						
Organization (301)	400				400	1
Franchises and Consents (302)	134				134	2
Miscellaneous Intangible Plant (303)	0				0	3
Total Intangible Plant	534	0	0	0	534	
SOURCE OF SUPPLY PLANT						
Land and Land Rights (310)	0				0	4
Structures and Improvements (311)	0				0	5
Collecting and Impounding Reservoirs (312)	0				0	6
Lake, River and Other Intakes (313)	0				0	7
Wells and Springs (314)	720,847	5,185			726,032	8
Supply Mains (316)	0				0	9
Other Water Source Plant (317)	0				0	10
Total Source of Supply Plant	720,847	5,185	0	0	726,032	
PUMPING PLANT						
Land and Land Rights (320)	30,935				30,935	11
Structures and Improvements (321)	324,742				324,742	12
Other Power Production Equipment (323)	175				175	13
Electric Pumping Equipment (325)	31,737				31,737	14
Diesel Pumping Equipment (326)	0				0	15
Other Pumping Equipment (328)	7,900				7,900	16
Total Pumping Plant	395,489	0	0	0	395,489	
WATER TREATMENT PLANT						
Land and Land Rights (330)	0				0	17
Structures and Improvements (331)	0				0	18
Sand or Other Media Filtration Equipment (332)	337,395	1,749			339,144	19
Membrane Filtration Equipment (333)	0				0	20
Other Water Treatment Equipment (334)	0				0	21
Total Water Treatment Plant	337,395	1,749	0	0	339,144	
TRANSMISSION AND DISTRIBUTION PLANT						
Land and Land Rights (340)	0				0	22
Structures and Improvements (341)	0				0	23
Distribution Reservoirs and Standpipes (342)	92,950				92,950	24
Transmission and Distribution Mains (343)	1,116,984	352,376	55,630		1,413,730	25
Services (345)	177,904	500	500		177,904	26
Meters (346)	49,393	3,345	300		52,438	27
Hydrants (348)	154,307	1,289	500		155,096	28

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT						
Other Transmission and Distribution Plant (349)	0				0	29
Total Transmission and Distribution Plant	1,591,538	357,510	56,930	0	1,892,118	
GENERAL PLANT						
Land and Land Rights (389)	0				0	30
Structures and Improvements (390)	0				0	31
Office Furniture and Equipment (391)	0				0	32
Computer Equipment (391.1)	0				0	33
Transportation Equipment (392)	0				0	34
Stores Equipment (393)	0				0	35
Tools, Shop and Garage Equipment (394)	0				0	36
Laboratory Equipment (395)	0				0	37
Power Operated Equipment (396)	0				0	38
Communication Equipment (397)	0				0	39
SCADA Equipment (397.1)	0				0	40
Miscellaneous Equipment (398)	20,731	860			21,591	41
Total General Plant	20,731	860	0	0	21,591	
Total utility plant in service directly assignable	3,066,534	365,304	56,930	0	3,374,908	
Common Utility Plant Allocated to Water Department (300)	0				0	42
Total utility plant in service	3,066,534	365,304	56,930	0	3,374,908	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT						
Organization (301)	0				0	1
Franchises and Consents (302)	0				0	2
Miscellaneous Intangible Plant (303)	0				0	3
Total Intangible Plant	0	0	0	0	0	
SOURCE OF SUPPLY PLANT						
Land and Land Rights (310)	0				0	4
Structures and Improvements (311)	0				0	5
Collecting and Impounding Reservoirs (312)	0				0	6
Lake, River and Other Intakes (313)	0				0	7
Wells and Springs (314)	0				0	8
Supply Mains (316)	0				0	9
Other Water Source Plant (317)	0				0	10
Total Source of Supply Plant	0	0	0	0	0	
PUMPING PLANT						
Land and Land Rights (320)	0				0	11
Structures and Improvements (321)	287,155				287,155	12
Other Power Production Equipment (323)	0				0	13
Electric Pumping Equipment (325)	0				0	14
Diesel Pumping Equipment (326)	0				0	15
Other Pumping Equipment (328)	0				0	16
Total Pumping Plant	287,155	0	0	0	287,155	
WATER TREATMENT PLANT						
Land and Land Rights (330)	0				0	17
Structures and Improvements (331)	0				0	18
Sand or Other Media Filtration Equipment (332)	130,000				130,000	19
Membrane Filtration Equipment (333)	0				0	20
Other Water Treatment Equipment (334)	0				0	21
Total Water Treatment Plant	130,000	0	0	0	130,000	
TRANSMISSION AND DISTRIBUTION PLANT						
Land and Land Rights (340)	0				0	22
Structures and Improvements (341)	0				0	23
Distribution Reservoirs and Standpipes (342)	0				0	24
Transmission and Distribution Mains (343)	344,621				344,621	25
Services (345)	62,519	2,500			65,019	26
Meters (346)	0				0	27
Hydrants (348)	38,583				38,583	28

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT						
Other Transmission and Distribution Plant (349)	0				0	29
Total Transmission and Distribution Plant	445,723	2,500	0	0	448,223	
GENERAL PLANT						
Land and Land Rights (389)	0				0	30
Structures and Improvements (390)	0				0	31
Office Furniture and Equipment (391)	0				0	32
Computer Equipment (391.1)	0				0	33
Transportation Equipment (392)	0				0	34
Stores Equipment (393)	0				0	35
Tools, Shop and Garage Equipment (394)	0				0	36
Laboratory Equipment (395)	0				0	37
Power Operated Equipment (396)	0				0	38
Communication Equipment (397)	0				0	39
SCADA Equipment (397.1)	0				0	40
Miscellaneous Equipment (398)	0				0	41
Total General Plant	0	0	0	0	0	
Total utility plant in service directly assignable	862,878	2,500	0	0	865,378	
Common Utility Plant Allocated to Water Department (300)	0				0	42
Total utility plant in service	862,878	2,500	0	0	865,378	

SOURCES OF WATER SUPPLY - STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			3,398	3,398	1
February			3,748	3,748	2
March			3,217	3,217	3
April			3,167	3,167	4
May			3,737	3,737	5
June			3,733	3,733	6
July			3,680	3,680	7
August			3,470	3,470	8
September			3,424	3,424	9
October			3,218	3,218	10
November			3,173	3,173	11
December			3,217	3,217	12
Total annual pumpage	0	0	41,182	41,182	

WATER AUDIT AND OTHER STATISTICS

1. Report actual metered values where possible. If water uses are not metered, estimate values for each line based on best available information. Water entering distribution system must equal the sum of Sales (line 5), Authorized System Uses (line 12) and Water Losses (line 19). For assistance, see AWWWW M36 Manual - Water Audits and Loss Control Programs.
2. For Gallons used in the treatment process (line 3), estimate water used in production including filter backwash, pumps, and other utility uses before the point of entry to the distribution system.
3. For Gallons used for other system uses (line 11), report other unmetered water used for system operation and maintenance, water used for non-regulated sewer utility and all other unmetered usage that is known to occur and does not fall into one of the other categories listed under Water Usage.
4. For Gallons unknown/not accounted for, estimate the volume of water losses due to other real or apparent losses, including customer meter inaccuracies, data errors, and unknown volumes. Unknown/unaccounted for volumes should be minimized to the extent possible.

WATER AUDIT STATISTICS

Source of Water Supply Statistics - Total Annual Pumpage (000's):	41,182	1
Less: Gallons (000's) used in the treatment process:		2
Subtotal: Gallons (000's) entering distribution system:	41,182	3
Less: Gallons (000's) sold (Revenue Water):	35,179	4
Gallons (000's) entering distribution system but not sold (Non-Revenue Water):	6,003	5
Authorized System Uses:		6
Gallons (000's) used to flush mains:	270	7
Gallons (000's) used for fire protection:	124	8
Gallons (000's) used to prevent freezing of distribution system:		9
Gallons (000's) used for other system uses:		10
Subtotal Authorized System Uses:	394	11
Water Losses (Real and Apparent):		12
Gallons (000's) lost due to main leaks or breaks:	631	13
Gallons (000's) lost due to service leaks or breaks:	100	14
Gallons (000's) lost due to hydrant leaks, tank overflows and pressure reducing valves:		15
Gallons (000's) for unauthorized usage such as vandalism and theft:		16
Gallons (000's) unknown/not accounted for:	4,878	17
Subtotal Water Losses:	5,609	18
Percentage of water entering distribution system sold:	85%	19
Percentage of Real and Apparent Losses:	14%	20
If water losses exceed 25%, indicate causes:		21
		22
		23
		24
If water losses exceed 25%, identify actions taken to reduce water loss:		25
		26
		27

WATER AUDIT AND OTHER STATISTICS (cont.)

OTHER STATISTICS		28
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)	222	29
Date of maximum: 02/21/2011		30
Cause of maximum: water main break		31
		32
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)	71	33
Date of minimum: 11/05/2011		34
Total KWH used by the utility (include pumping, treatment facilities and other utility operations):	148,264	35
If water is purchased:		36
Vendor Name:		37
Point of Delivery:		38
What percentage of purchased water is surface water?		39
Number of main breaks repaired this year:	4	40
Number of service breaks repaired this year:	1	41
Population served (estimate the number of individuals within service area):		42
Inside municipality?	1,941	43
Outside municipality?		44

SOURCES OF WATER SUPPLY - GROUND WATERS

Description (a)	WDNR Unique Well Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
A	5 TQ 446	289	8	82,000	Yes	1
B	1 BG 317	42	30	24,000	Yes	2
C	4 BG 319	44	30	7,000	Yes	3
D	3 Out of Serv.	0	0	0	No	4

SOURCES OF WATER SUPPLY - SURFACE WATERS

Description (a)	Identification Number (b)	Intakes			
		Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)	
NONE					1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	1	4	5	1
Location	307 SOUTH LASALLE	404 SOUTH LASALLE	109 WEST WILLOW	2
Purpose	P	P	P	3
Destination	T	T	T	4
Pump Manufacturer	PONOMA	PONOMA	HITACHI	5
Year Installed	1940	1981	2005	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	SUBMERSIBLE	7
Actual Capacity (gpm)	100	100	240	8
Pump Motor or Standby Engine Mfr	EMERSON	GENERAL ELECTRIC	CUMMINS POWER GENERATOR	9
Year Installed	2009	2008	2005	10
Type	ELECTRIC	ELECTRIC	NATURAL GAS	11
Horsepower	8	15	50	12
Footnotes				13
				14

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	WELL #3 ABANDONED			15
Location	406 JEFFERSON			16
Purpose				17
Destination				18
Pump Manufacturer				19
Year Installed				20
Type	OTHER			21
Actual Capacity (gpm)				22
Pump Motor or Standby Engine Mfr	GE			23
Year Installed	1974			24
Type	OTHER			25
Horsepower	15			26
Footnotes				27
				28

RESERVOIRS, STANDPIPES AND ELEVATED TANKS

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. For primary material, use earthen, steel, concrete or other.
4. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Description (a)	Identification Number (b)	Year Constructed (c)	Type (d)	Primary Material (e)	Elevation Difference in Feet (f)	Total Capacity in Gallons (g)	
E	1	1940	ET	STEEL	123	50000	1
F	2	1967	ET	STEEL	124	200000	2

WATER TREATMENT PLANT

1. Provide a generic description for (a). Do not give specific address or location.
2. Please select all that apply for (d) and (e). If Other is selected please explain in Notes (h).
3. Please identify the point of application for each treatment plant for (g). For example, please list each well or central treatment facility served by this unit.

Unit Description (a)	Year Constructed (b)	Rated Capacity (mgd) (c)	Disinfection (d)		Other (e)	Fluoridated (f)	Point of Application (g)		
G	1998	1	<input type="checkbox"/> Ultraviolet Light	<input type="checkbox"/> Sand		<input checked="" type="radio"/> Yes	OTHER	*	1
			<input checked="" type="checkbox"/> Liquid Chlorine	<input type="checkbox"/> Reverse Osmosis		<input type="radio"/> No			
			<input type="checkbox"/> Gas Chlorine	<input type="checkbox"/> Microfilter					
			<input type="checkbox"/> Other	<input type="checkbox"/> Iron and Manganese					
			<input type="checkbox"/> None	<input type="checkbox"/> Other					

Notes: After filtering and before distribution

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	Number of Feet				End of Year (h)	
			First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)		
M	D	4.000	1,493				1,493	1
M	D	6.000	46,495		2,745		43,750	2
P	D	6.000	1,350	2,531			3,881	* 3
P	T	6.000	1,504				1,504	4
M	D	8.000	15,404		1,208		14,196	5
P	D	8.000	2,773	1,230			4,003	* 6
M	D	10.000	10,859		1,610		9,249	7
P	D	10.000	1,605	1,660			3,265	* 8
Total Within Municipality			81,483	5,421	5,563	0	81,341	
Total Utility			81,483	5,421	5,563	0	81,341	

WATER MAINS

Water Mains (Page W-21)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

With the water main additions to Highway 13, Willow Drive, and Robert Street the cost of the total amount of construction was financed thru a loan which you can find on F-18.

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	666	1	1		666	54 *	1
M	1.000	117				117	25	2
M	1.250	4				4		3
M	1.500	12				12		4
M	2.000	18				18	11	5
M	3.000	1				1		6
Total Utility		818	1	1	0	818	90	

WATER SERVICES

Water Services (Page W-22)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

We had one new service which was paid for by the property owner and was placed in W-9 under account #345 Services.

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	839				839	38	* 1
1.000	12				12	3	2
1.250	2				2	0	3
1.500	9	3	3		9	0	4
2.000	9	1	2		8	2	5
3.000	1				1	0	6
4.000	4				4	0	7
6.000	2				2	1	8
Total:	878	4	5	0	877	44	

1) Indicate your residential meter replacement schedule:

- ☒ Meters tested once every 10 years and replaced as needed
☐ All meters replaced within 20 years of installation
☐ Other schedule as approved by PSC

2) Indicate the method(s) used to read customer meters (select all that apply):

- ☒ Manually - remote register
☐ Manually - inside the premises
☐ Radio Frequency - drive or walk-by technology
☐ Radio Frequency - fixed network or other automatic infrastructure (AMI)
☐ Other

METERS (cont.)

4. Totals by size in Column (f) should equal same size totals in Column (o).
 5. Explain all reported adjustments as a schedule footnote.
 6. Do not include station meters in the meter inventory used to complete these tables.

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	690	76	6	8	25	34	839	* 1
1.000	0	8	1	3	0		12	2
1.250	0	1	0	0	1		2	3
1.500	0	5	1	3	0		9	4
2.000	0	2	2	1	3		8	5
3.000	0	0	0	0	1		1	6
4.000	0	0	0	0	4		4	7
6.000	0	0	0	0	2		2	8
Total:	690	92	10	15	36	34	877	

METERS

Meters (Page W-23)

Explain program for replacing or testing meters 1" or smaller.

As you can see we have made some headway in our efforts to test more meters. Even when we were very busy with locates for the Highway 13 project our staff was able to find some time to test meters. This Spring we have continued to work on that program by calling residents that have not gotten back to us for times to test their meter. We hope we can do more than 50 this year.

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

Yes

METERS (cont.)

This page intentionally left blank

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	133	1	1		133	2
Total Fire Hydrants	133	1	1	0	133	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	134
Number of distribution system valves end of year:	248
Number of distribution valves operated during year:	127

LIST OF ALL STATION AND WHOLESALE METERS

1. Definition of Station Meter is any meter in service not used to measure customer consumption.
2. Definition of Wholesale Meter is any meter used to measure sales to other utilities for retail or wholesale sales.
3. Retail customer meters should not be included in this inventory and conversely these station and wholesale meters should not be included in the customer meter inventory.

Purpose (a)	Size (in.) of Meter (b)	Location or Description (c)	Type (d)	Date of Last Meter Test (e)	
Station Meter		NONE			1
Wholesale Meter		NONE			2

WATER CONSERVATION PROGRAMS

1. List all water conservation-related expenditures for the reporting year. Include administrative costs, customer outreach and education, other program costs, and payments for rebates and other customer incentives.
2. If the Commission has approved conservation program expenses, these should be charged to Account 186. Otherwise, these expenses are reported in Account 906 on ScheduleW-05 (Account 691 for class D utilities).

Item (a)	Expenditures (b)	Number of Rebates (c)
Administrative and General Expenses		
Program Administration		1
Customer Outreach & Education		2
Other Program Costs		3
Subtotal Administrative and General Expenses	0	
Customer Incentives		
Residential Toilets		4
Multifamily/Commercial Toilets		5
Faucets		6
Showerheads		7
Clothes Washers		8
Dishwashers		9
Cost Sharing Projects (Nonresidential Customers)		10
Other Incentives		11
Subtotal Customer Incentives	0	
Total Conservation Expenditures	0	

WATER CUSTOMERS SERVED

List the number of customer accounts in each municipality for which your utility provides retail general service. Do not include wholesale customers or fire protection accounts.

Location (a)	Customers End of Year (b)
<hr/> Marathon County	
Villages	
SPENCER	807
Total Villages:	807
Total Marathon County:	807
<hr/>	
Total Company:	807
<hr/>	

WATER OPERATING SECTION FOOTNOTES

Other Operating Revenues (Water) (Page W-04)

Please explain amounts in Account 474 in excess of \$2,000, including like items grouped. Please provide, for example, a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Account # 474 Tower rent was \$2,400.00, Curb stop turn on and hooking up water meters \$755.90, vacuum breakers sold \$433.25, recycling scrap metal \$316.65, parts \$888.79.

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Account #650 was greater this year because of all the repair work we had to do to Well #4 at a cost of \$36,856.00 which normally is between 10,000.00 and 12,000.00. Account #680 was more this year because we brought another employee on staff that will take my place when I retire in 2012. Account #682 was less than last year because we did not have the engineering costs on the Hwy 13 project as we did in 2010. Account #684 is less this year from what I can review it appears that the auditors made their adjustments and placed them in a different account I have not been able to locate the difference not unless they placed more of the insurance cost in the benefits and pension area.

Property Tax Equivalent (Water) - Part 2 (Page W-07)

If Lower Tax Equivalent authorized by municipality is greater than or equal to zero, please explain.

On December 19th, 2011 at the Village Board meeting a motion was made by Staples, seconded by Frome was carried to approve to forgive local and school tax equivalents for the Water Utility to the Village for the year 2011, and tax amount to the Water Utility will be zero.

Property Tax Equivalent (Water) (Page W-07)

If Lower Tax Equivalent authorized by municipality is greater than or equal to zero, please explain.

On December 19th, 2011 at the village Board meeting a motion was made by Staples, seconded by Frome was carried to approve to forgive local and school tax equivalents for the Water Utility to the Village for the year 2011 and tax amount to the Water Utility will be zero.

Water Mains (Page W-21)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

With the water main additions to Highway 13, Willow Drive, and Robert Street the cost of the total amount of construction was financed thru a loan which you can find on F-18.

WATER OPERATING SECTION FOOTNOTES

Water Services (Page W-22)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

We had one new service which was paid for by the property owner and was placed in W-9 under account #345 Services.

Meters (Page W-23)

Explain program for replacing or testing meters 1" or smaller.

As you can see we have made some headway in our efforts to test more meters. Even when we were very busy with locates for the Highway 13 project our staff was able to find some time to test meters. This Spring we have continued to work on that program by calling residents that have not gotten back to us for times to test their meter. We hope we can do more than 50 this year.

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

Yes
